



COSTA MESA SANITARY DISTRICT MINUTES OF BOARD OF DIRECTORS REGULAR MEETING JUNE 10, 2004

CALL TO ORDER

The Board of Directors of the Costa Mesa Sanitary District met in regular session on June 10, 2004, at 4:00 p.m. at the Costa Mesa Historical Society.

President Schafer called the meeting to order at 3:55 p.m.

PLEDGE OF ALLEGIANCE

Director Perry led the Pledge of Allegiance

INVOCATION

Director Woodside gave the invocation.

ROLL CALL

DIRECTORS PRESENT: Arlene Schafer, Greg Woodside, Art Perry, James Ferryman, Dan Worthington

DIRECTORS ABSENT: None

STAFF PRESENT: Robin Hamers, Manager/Engineer; Alan Burns, Legal Counsel; Tom Fauth, Assistant Manager; Joan Revak, Clerk of the District; Marc Puckett, Treasurer; Bobby Young, Finance; Debbie Bjornson, Permit Processing Specialist; Denise Gilbert, Permit Processing Specialist; Wendy Davis, Treasurer; Cynthia King, Finance

OTHERS PRESENT: Jim Atkinson, Mesa Consolidated Water District

President Schafer presented Mr. Marc Puckett with an Excellence in Service award plaque thanking him for his years of service to the Costa Mesa Sanitary District. President Schafer also thanked Bobby Young for his service to the District.



Mr. Hamers introduced two new Staff members Wendy Davis, Treasurer and Cynthia King, Accountant.

..... CONSENT CALENDAR

Ms. Revak requested the Minutes of the Special Meeting, May 7, be corrected to reflect attendance by Mr. Alan Burns, legal counsel.

Director Worthington motioned to approve the Consent Calendar as corrected. Director Perry seconded. Motion carried 5-0.

REPORTS

MINUTE APPROVAL

| | |
|---|--|
| Minutes of Recycling Committee Meeting, May 5, 2004 | The Minutes of the Recycling Committee Meeting of May 5, 2004, were approved as distributed. |
| Minutes of Special Meeting, May 7, 2004 | The Minutes of the Special Meeting of May 7, 2004, were approved as corrected. |
| Minutes of Regular Meeting, May 10, 2004 | The Minutes of the Regular Meeting of May 10, 2004, were approved as distributed. |
| Minutes of Special Meeting, June 2, 2004 | The Minutes of the Special Meeting of June 2, 2004, were approved as distributed. |

MANAGER'S REPORTS

REFUNDS

In accordance with Resolution No. 96-584, adopted by the Costa Mesa Sanitary District on April 17, 1996, the following refunds were granted subsequent to receiving a signed statement from the applicants:



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Refund request by
Steve Alley, Clean Rooms
West Inc.
of \$782.50

Refund requested by: Steve Alley, Clean Rooms
West Inc.
Parcel Address: 350 Paularino Ave
Assessor's Parcel No. 427-091-13
Number of units: 1
Refund Requested: \$782.50
Applicant paid for permits up front. Job was
awarded to another contractor.

Occupancy Report and
Payment of \$182,330.41
to Costa Mesa Disposal –
June 2004

The Trash Occupancy Count documented an
increase of 14 units for the occupancy report for
solid waste collection as of June 1, 2004.
Therefore, the total for June is 21,128.

Board directed Staff to prepare a warrant for
\$182,330.41 to Costa Mesa Disposal on July 1,
2004, for payment for June trash collection based on
the June count of 21,128.

Monthly Spill Report to
Regional Water Quality
Control Board (RWQCB)

The Monthly Spill Report to the Regional Water
Quality Control Board (RWQCB) for May 2004 was
accepted as submitted.

ENGINEER'S REPORTS

Project Status Report

The Project Status Report dated June 2004, was
accepted as submitted.

TREASURER'S REPORTS

Financial Report as of
May 31, 2004

The Financial Report as of May 31, 2004, was
accepted as submitted.

Report of Monies on
Deposit as of
May 31, 2004

The Report of Monies on Deposit as of May 31,
2004, was received and filed.

Warrant 2004-12 for May
2004 in the amount of
\$1,343,791.06

Warrant Resolution #CMSD 2004-12 was approved,
authorizing the President and Secretary to sign the
warrant and instructing the Treasurer to draw a
warrant from the Costa Mesa Sanitary District
General Fund in the amount of \$1,343,791.06.



Directors Expenses for the Month of May 2004 Director Expenses for the Month of May 2004 were ratified as follows:

Director Ferryman: \$510.00
Director Perry: \$680.00
President Schafer: 1020.00 + \$31.50
Vice President Woodside: \$510.00
Director Worthington: \$1020.00 + 30.50

..... **END OF CONSENT CALENDAR**

WRITTEN COMMUNICATIONS

Ms. Revak reported there were no written communications received.

PUBLIC COMMENTS

There were no public comments made.

MANAGER'S REPORTS

REQUEST FOR ADJUSTMENT OF COMPENSATION FOR GENERAL COUNSEL

CLOSED SESSION – PERSONNEL EXCEPTION GOVERNMENT CODE SECTION 54957

AFTER RECONVENING FROM CLOSED SESSION, TAKE ACTION WITH RESPECT TO THE REQUEST IN OPEN SESSION.

Board determined a closed session was not necessary.

Mr. Burns requested an increase in rates as follows:

| Position | Former Rate | Proposed Rate |
|---------------------------------|--------------------|----------------------|
| Senior Attorney, Partner | \$135 | \$155 |
| Associate Attorney | \$100 | \$115 |
| Law Clerk | \$65 | \$75 |
| Paralegal | \$60 | \$70 |

Director Perry motioned to approve the compensation adjustment for General Counsel as requested. Director Woodside seconded. Motion carried 5-0.



**REQUEST FOR ADJUSTMENT OF COMPENSATION FOR DISTRICT
MANAGER/ENGINEER**

**CLOSED SESSION – PERSONNEL EXCEPTION GOVERNMENT CODE SECTION
54957**

**AFTER RECONVENING FROM CLOSED SESSION, TAKE ACTION WITH RESPECT TO
THE REQUEST IN OPEN SESSION.**

Board determined a closed session was not necessary.

Mr. Hamers requested a rate increase as follows:

| | Current Rate | Proposed Rate |
|-----------------------------------|---------------------|----------------------|
| Engineering and Management | \$70/hr | \$80/hr |
| Draftsman | 50/hr | 60/hr |
| Inspector | 45/hr | 55/hr |
| Retainer | 1,200/mo | 1,300/mo |
| 2-man survey crew | 160/hr | 185/hr |

Director Perry motioned to approve the compensation adjustment for District Manager/Engineer as requested. Director Woodside seconded. Motion carried 5-0.

**ANTI-SCAVENGING AND SCREENING OF TRASH CONTAINERS ENFORCEMENT
REPORTS**

POLICE REPORT

Mr. Hamers presented a memorandum providing the statistics for the month of May 2004. The scavenging statistics for May are as follows:

| Location | Calls for Service | Cite/Arrest |
|-----------------|--------------------------|--------------------|
| Area I | 0 | 3 |
| Area II | 0 | 0 |
| Area III | 7 | 0 |
| Area IV | 0 | 0 |
| TOTAL | 7 | 3 |



DISTRICT ORDINANCE ENFORCEMENT OFFICER REPORT

Mr. Hamers presented the ordinance enforcement summary report for the five-week period beginning April 19, 2004 and ending May 23, 2004.

Mr. Shef's summary report contained the following information:

- 20 flyers given to residents and 12 containers oversprayed and ID tagged.

CMSD STRATEGIC PLAN

YEAR 2003/2004 ACTION ITEMS

Mr. Hamers presented the 2003/2004 Strategic Planning Action Items, reporting the District is on schedule for all items. Received and filed.

SEPARATION OF DISTRICT FROM CITY

FOLLOW UP ACTION TO JUNE 2, 2004 SPECIAL MEETING

TENANT IMPROVEMENTS

Mr. Fauth reported Staff completed the software demonstrations and has chosen and ordered a package from Springbrook Software Inc. Staff requested a discount and all software training to be held on-site.

Mr. Fauth reported Ms. Cynthia King has been hired as accountant for the District.

Mr. Fauth reported escrow closed on the new building and all documentations received.

General contractor quotations were due by June 4 and were not received because of the lack of time to put together a credible quotation. Both potential bidders are working to ascertain what will be needed to update the new facility and prepare a quote.

Mr. Fauth presented photographs of the facility in its current condition.

Mr. Fauth has been in contact with TRC to ensure the phone systems will be up and running in a timely manner.

CalPERS resolution due to be signed at the June 16, 2004 meeting.

Mr. Fauth and Ms. Davis have been working to finalize the banking needs for the District.



Director Worthington requested a temporary Costa Mesa Sanitary District sign be placed out front of the new building as soon as possible.

SECOND DRAFT OF CITY OF COSTA MESA/CMSD AGREEMENT

Mr. Burns presented the second draft of the City of Costa Mesa/CMSD Agreement modified in light of the understanding reached with Mr. Allan Roeder. The agreement provides for the continued use of Field Services personnel and spells out their performance standards. It describes the compensation to be paid to the City and the fact that this arrangement is for a one-year term, subject to renewal upon the further agreement of the parties.

The agreement also reflects the fact that the District will not be contracting for continued financial services with the City.

Mr. Hamers discussed the fact that the new facilities will not be ready to move into when the District's lease with the City expires. There will be a need to rent the current facilities from the City of Costa Mesa until new building is ready for occupation.

Director Ferryman motioned to authorize Mr. Hamers to negotiate a reasonable rental agreement with the City of Costa Mesa to rent the current facilities for the additional time required. Director Woodside seconded. Motion carried 5-0.

RECYCLING REPORTS

WASTE DIVERSION REPORT – MAY 2004

The Waste Diversion Report for May showing a 50.65% diversion rate for the City of Costa Mesa and a 51.83% diversion rate for the County was received and filed.

CONTRACT PAYMENT TO CR TRANSFER FOR RECYCLING SERVICES AND DISPOSAL

PAYMENT FOR MAY 2004 SERVICES

Ms. Revak reported the CR Transfer invoice was received late and Staff is in the process of reconciling it.



COSTA MESA DISPOSAL REQUEST FOR FULLY-AUTOMATED SERVICE AND PRESENTATION OF MASTER PLAN

Mr. Hamers reported a written request has not yet been received.

Discussion was held regarding the anticipated move to fully-automated service.

PUBLIC SAFETY EMERGENCY SERVICES EXPO – SUNDAY, MAY 16, 2004

Mr. Fauth reported the 10th annual Public Safety Emergency Services Expo was held on Sunday, May 16, 2004, at Fire Station #4, 2300 Placentia Avenue.

Mr. Fauth reported he learned upon arrival that there was no spot reserved for the District booth. A location was found in the rear of the Expo.

Mr. Fauth reported the truck from CR Transfer with the bales of recycled materials did not arrive.

Mr. Fauth suggested a reminder from Staff the day prior to the event to CR Transfer regarding the recycled materials display as well as confirming a better location for the booth with the fire department.

RECYCLING COMMITTEE – TUESDAY, JUNE 8, 2004 - 9:00 A.M., CR-1A DIRECTORS WORTHINGTON AND SCHAFER

STRATEGIC PLANNING 2004 – PUBLIC OUTREACH – CLASSROOM RECYCLING PROJECTS

Director Worthington reported they discussed accomplishments of the prior school year and plans for the next school year.

Director Worthington suggested the program be limited to 6th grade classes only.

Mr. Hamers inquired as to the District's display at City Hall. Ms. Revak reported the display was removed from the showcase to make room for the next display.



ENGINEER'S REPORTS

WASTE DISCHARGE REQUIREMENTS – (WDR)

GENERAL UPDATE

Mr. Hamers reported the "Legal Authority" ordinance will be presented to the Board at the July regular meeting. The deadline for adoption of legal authority is July 30, 2004. After the Board reviews the ordinance, Mr. Hamers will prepare a submission to the State Regional Water Quality Control Board detailing how the Costa Mesa Sanitary District is meeting legal authority.

Director Woodside thanked Mr. Hamers and Mr. Burns for helping to pave the way for the District.

PROJECT No. 168 – TUSTIN PUMP STATION RELOCATION AGREEMENT WITH CITY OF NEWPORT BEACH TO CONSTRUCT DISTRICT SEWER LINES

Mr. Hamers reported the Board approved in concept for the City of Newport Beach to construct District sewer lines because the County Road Department and the City of Newport Beach have decided to realign the intersection and Irvine Avenue, to the north and south.

The agreement is not yet ready for the Board to review and will be presented at the July regular meeting.

PROJECT No. 171 – TUSTIN PUMP STATION FORCE MAIN REHABILITATION PROPOSAL TO BEGIN DESIGN PHASE

Mr. Hamers presented Project No.171, Tustin Pump Station Force Main Rehabilitation, Proposal to Begin Design Phase. The project was approved in the 2003-2004 capital improvement program. Due to the length of the line, the project will be divided into phases and the limits of Phase I will be determined during the design phase.

The proposal is to complete the design phase of the project at the hourly rates shown below, not to exceed \$40,000.

| | |
|-------------------|----------------|
| Engineer | \$ 70 per hour |
| 2 man survey crew | \$185 per hour |
| 3 man survey crew | \$210 per hour |



Director Perry motioned to approve Project No. 171, Tustin Pump Station Force Main Rehabilitation Proposal to Begin Design Phase. Director Ferryman seconded. Motion carried 5-0.

PROJECT NO. 173 – SOUTH COAST PLAZA PUMP STATION FORCE MAIN PROPOSAL TO BEGIN DESIGN PHASE

Mr. Hamers presented Project No.173, South Coast Plaza Pump Station Force Main Proposal to Begin Design Phase. The project was approved in the 2003-2004 capital improvement program. The line ruptured on June 30, 2002, and during an inspection at that time it was found that the line was deteriorating to a point where it should be replaced.

The proposal is to complete the design phase of the project at the hourly rates shown below, not to exceed \$15,000.

| | |
|-------------------|----------------|
| Engineer | \$ 70 per hour |
| 2 man survey crew | \$185 per hour |
| 3 man survey crew | \$210 per hour |

Director Perry motioned to approve Project No. 173, South Coast Plaza Pump Station Force Main Proposal to Begin Design Phase. Director Woodside seconded. Motion carried 5-0.

Application for funding through Orange County Sanitation District was discussed.

TREASURER'S REPORTS

Mr. Puckett provided a brief report regarding investments. Mr. Puckett thanked the District for the recognition from the Board.

ATTORNEY'S REPORTS

RESOLUTION No. 2004-681, ORDERING THAT PUBLICATION OF ORDINANCE No. 45 PROVIDING PURCHASING AUTHORITY FOR AN INDEPENDENT PURCHASING SYSTEM HAS OCCURRED

Mr. Burns introduced Resolution No. 2004-681, A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COSTA MESA SANITARY DISTRICT ORDERING THAT PUBLICATION OF ORDINANCE NO. 45 PROVIDING PURCHASING AUTHORITY FOR AN INDEPENDENT PURCHASING SYSTEM HAS OCCURRED.



Director Woodside motioned to adopt Resolution No. 2004-681. Director Ferryman seconded. Motion carried 5-0.

Director Woodside motioned to discuss an item not on the agenda determining the need arose after the agenda was prepared and there is a need to take immediate action. Director Ferryman seconded. Motion carried 5-0.

President Schafer reported the 2004 CASA Annual Conference is going to be held on August 4 through August 7, 2004, at the Hyatt Regency in Monterey, California. Directors Schafer, Perry, and Ferryman expressed an interest in attending the conference.

Director Perry motioned to approve attendance at the 2004 CASA Annual Conference for Directors Schafer, Perry, and Ferryman. Director Ferryman seconded. Motion carried 5-0.

Ms. Revak will make the reservations for the three directors.

LOCAL MEETINGS

ORANGE COUNTY SANITATION DISTRICT (OCSD)

REGULAR MEETING – MAY 26, 2004 (DIRECTOR FERRYMAN)

Director Ferryman attended the May 26, 2004, meeting and reported the following:

- ❖ Steve Anderson nominated as Chairman for next year
- ❖ Nominations for Vice Chair next meeting – Director Ferryman to be nominated

SANTA ANA RIVER FLOOD PROTECTION AGENCY (SARFPA)

MEETING – MAY 27, 2004 (DIRECTOR PERRY)

- ❖ Budget approved
- ❖ Funding request — \$58 million request for Prado Dam, \$13 million received
- ❖ Final negotiations for Green River golf course

INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY (ISDOC)

President Schafer attended the June 1st ISDOC meeting and reported the following:



- ❖ President Schafer won the reelection to LAFCO held on May 27
- ❖ Discussion held on having an ethics workshop and program for the July 29th quarterly meeting

LOCAL AGENCY FORMATION COMMISSION (LAFCO)

President Schafer attended the June 9th LAFCO meeting and reported the following:

- ❖ Irvine annexation to City of Irvine from County of 1,662 acres of unincorporated County territory in Irvine sphere of influence. Will continue on July agenda.
- ❖ Selection Committee new representative Dr. Bob Bower and Patsy Marshall named as Alternate.
- ❖ Lawsuit on Great Park
- ❖ LAFCO to host conference in Anaheim

FINAL BUDGET FOR FY 2004-2005

Mr. Hamers received a letter from Mr. Bob Aldrich, Acting Executive Director, Local Agency Formation Commission, dated May 14, 2004, stating the final LAFCO budget for FY 2004-2005 was adopted.

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA)

President Schafer attended the CSDA Government Affairs Day and Local Coalition as well as CSDA Board meeting (May 11, 12, and 13, 2004).

- ❖ President Schafer will attend Chapter Roundtable on June 11, 2004.
- ❖ President Schafer will attend legislation meeting June 18, 2004.

OLD BUSINESS

Discussion on property tax revenue and special districts.

NEW BUSINESS

MEMBERSHIP IN COSTA MESA HISTORICAL SOCIETY

Director Ferryman motioned to renew the District's membership in the Costa Mesa Historical Society and meeting room fee in the amount of \$250.00. Director Perry seconded. Motion carried 5-0.



ORAL COMMUNICATIONS AND DIRECTOR COMMENTS

Director Ferryman suggested having a barbeque for the Rangels. Director Ferryman will discuss details with Ms. Revak.

Director Woodside will be unable to attend the June 23, 2004, OCSD meeting. Director Perry will attend.

President Schafer thanked Mr. Jim Atkinson for attending the meeting.

ADJOURNMENT

At 5:21 p.m., President Schafer adjourned the meeting.

SECRETARY

PRESIDENT